

# INFORMATION BULLETIN

## WORKFORCE INVESTMENT ACT

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: NO FEDERAL OR STATE RECAPTURE PY 2004–05

The Workforce Investment Act (WIA) mandates, under Sections 127(c) and 132(c), that the Secretary of Labor recapture WIA funds from states that fail to obligate at least 80 percent of the program year's allotment by June 30. Any recaptured funds would be reallocated to states that did meet the 80 percent obligation rate; and a portion of the funds received by each state would be allocated to the Local Workforce Investment Areas (LWIA) in the state. For Program Year (PY) 2004–05 funds, the Department of Labor has announced that all states successfully met the 80 percent obligation rate by June 30, 2005. Therefore, no states were subject to recapture and consequently, there will be no funds reallocated to the states.

The WIA Sections 128(c) and 133(c) allow the Governor of each state to recapture funds from LWIAs that did not obligate at least 80 percent of the program year's formula funds allocated to them. All recaptured funds would be reallocated to the LWIAs that did meet the 80 percent obligation rate. For PY 2004–05, all LWIAs in California met the 80 percent obligation rate for each of the three funding streams—Youth, Adult, and Dislocated Worker. Therefore, no LWIAs were subject to recapture and consequently, there will be no funds reallocated to the LWIAs.

If you have any questions about this bulletin, please contact Dave Rexius at (916) 654-8502.

/S/ BOB HERMSMEIER  
Chief  
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